

**24TH DISTRICT COURT  
FINANCIAL REPORT  
JULY 1, 2006 TO JUNE 30, 2007**

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Unit Name 24th District Court	County Wayne
Fiscal Year End 6/30/07	Opinion Date 8/24/07	Date Audit Report Submitted to State 10/3/07	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

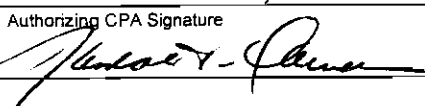
We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES NO Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

<b>We have enclosed the following:</b>	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input type="checkbox"/>	No internal control problems found.	
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Darnell & Meyering, P.C.		Telephone Number (734) 246-9240	
Street Address 20600 Eureka Rd., Suite 900		City Taylor	State Zip MI 48180
Authorizing CPA Signature 		Printed Name Randall H. Darnell	License Number 13139

24TH DISTRICT COURT  
Financial Report  
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July 1, 2006 to June 30, 2007

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# DARNELL & MEYERING, P.C.

*Certified Public Accountants*

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CERTIFIED PUBLIC ACCOUNTANTS  
MICHIGAN ASSOCIATION OF  
CERTIFIED PUBLIC ACCOUNTANTS

## **Independent Auditors' Report**

To the Honorable Judges  
of the 24th District Court  
Allen Park, Michigan 48101

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the 24th District Court as of and for the year ended June 30, 2007, which collectively comprise the Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 24th District Court's management. Our responsibility is to express opinions on these financial statements based on our audit.

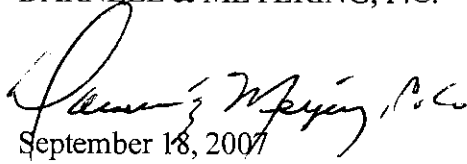
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the 24th District Court, as of June 30, 2007, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and budgetary comparison information on pages iii through ix and 19 through 21 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 24th District Court's basic financial statements. The accompanying supplementary information, such as the introductory section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

DARNELL & MEYERING, P.C.

A handwritten signature in cursive script, appearing to read "Darrell & Meyering, P.C.", is written over the date. The signature is fluid and stylized, with the initials "D.M." being prominent.

September 18, 2007

**24th District Court - Allen Park and Melvindale, Michigan**  
**Management's Discussion and Analysis (MD&A)**  
**Year ended June 30, 2007**

The management of the 24<sup>th</sup> District Court presents this narrative overview and analysis of the financial activities of the Court for the fiscal year ended June 30, 2007. The Court encourages readers to consider the information presented here in conjunction with the additional information found within the body of the audit.

**FINANCIAL HIGHLIGHTS**

- The beginning budget for the expenditures for the Court for June 30, 2007 was \$3,095,789, which represented a slight increase of \$28,970 over the previous year.
- Management and staff continued during this fiscal year to reduce various expenditures to balance the ever-increasing costs of legal fees, medical, pension and a 1 percent salary increase pursuant to the union contracts.
- The 24<sup>th</sup> District Court Work Program is a self-supported alternative sentence to an otherwise costly jail term for certain individuals convicted of various misdemeanors. The program, which we expanded from **three to four days** per week, continues to be an asset by providing services to both the City of Allen and the City of Melvindale at no cost to either community. Also, the 24<sup>th</sup> District Court Work Program added additional flowerbeds to the northern section of the City of Allen Park.
- The Court remains committed to upholding the integrity of the judiciary, while continuing to provide prompt service to the public, and becoming more proficient through the continued use of technological improvements. The Court continues aiding the communities by providing both departments with the use of the Court's warrant team officers for pick-up and transportation of prisoners. Not only does performing these functions affect the communities financially, but also the hours of labor previously committed to those tasks may be dedicated to providing other services, such additional patrol.

## OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Court's basic financial statements. The Court's basic financial statements comprise three components: 1) court-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Court-wide financial statements.** The Court-wide financial statements are designed to provide readers with a broad overview of the Court's finances, in a manner similar to a private-sector business.

The statement of Net Assets presents information on all of the Court's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Court is improving or deteriorating.

The Statement of Activities presents information showing how the Court's net assets changed during the most recent fiscal year. [All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.]

The Court-wide financial statements outline functions of the Court that are principally supported by revenues received from each community pursuant to the agreement between the district control units of Allen Park and Melvindale. The governmental activities of the Court include the fair and timely adjudication of all civil, criminal and traffic cases filed within the boundaries of its jurisdiction. The Court-wide financial statements can be found on pages 1 and 2 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Court uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Court can be divided into two categories: governmental and fiduciary funds. Fiduciary funds include the Revenue Fund, Bond Fund, and Payroll Fund.

The basic governmental and fiduciary fund financial statements can be found on pages 3 through 6 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the Court-wide and fund financial statements. The notes to the financial statements can be found on pages 7 through 18 of this report.

## **COURT-WIDE FINANCIAL ANALYSIS**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Court, assets exceeded liabilities by \$630,527 as of June 30, 2007.

The largest portion of the Court's net assets reflects its investment in capital assets (e.g., equipment and leasehold improvements), less any related debt used to acquire those assets that is still outstanding. The Court uses these capital assets to provide services to the public; consequently, these assets are not available for future spending. Although the Court's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The Court's financial position is the product of a number of transactions including the net results of its activities, the payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. In addition, the large increase in the Court services expense was due to an additional transfer to the District Control Units of Allen Park and Melvindale of \$218,010 derived from cumulative excess revenues of the Court. The Court's total revenue had an increase of \$8,916 as compared to the year ended June 30, 2006.



**Net Assets for the period ending June 30, 2007 and June 30, 2006**

	<b><u>Net Assets</u></b> <b><u>June 30, 2007</u></b>	<b><u>Net Assets</u></b> <b><u>June 30, 2006</u></b>
<b>Assets:</b>		
Current Assets	\$ 545,650	\$ 662,443
Capital Assets	<u>260,416</u>	<u>343,621</u>
<b>Total Assets</b>	806,066	1,006,064
 <b>Liabilities:</b>		
Current Liabilities	94,861	155,905
Noncurrent Liabilities	<u>80,678</u>	<u>70,751</u>
<b>Total Liabilities</b>	175,539	226,656
 <b>Net Assets:</b>		
Investment in capital assets (net of debt)	240,689	321,822
Unrestricted	<u>389,838</u>	<u>457,586</u>
<b>Total Net Assets</b>	<u>\$ 630,527</u>	<u>\$ 779,408</u>

The following table presents a summary of revenue and expense for the fiscal year ended June 30, 2007 and June 30, 2006.

Changes in the 24<sup>th</sup> District Court Net Assets:

	<u><b>June 30, 2007</b></u>	<u><b>June 30, 2006</b></u>
<b>Revenues:</b>		
Program Revenues – Special Revenue Funds	\$ 99,623	\$ 85,846
General Revenues:		
Intergovernmental	2,703,286	2,668,906
Probation	197,570	218,428
Investment Revenue	27,246	15,189
Miscellaneous	<u>13,699</u>	<u>44,139</u>
<b>Total Revenues</b>	<u><b>\$ 3,041,424</b></u>	<u><b>\$ 3,032,508</b></u>
 <b>Expenses:</b>		
Program Expenses-Special Revenue Funds	35,089	33,146
Court Services	3,060,504	2,817,688
Interest on Long-Term Debt	1,224	1,637
Depreciation	80,672	92,896
Loss on Disposal of Assets	<u>12,816</u>	<u>0</u>
<b>Total Expenses</b>	<u><b>\$ 3,190,305</b></u>	<u><b>\$ 2,945,367</b></u>
 Change in Net Assets	(148,881)	84,309
Beginning Net Assets	<u>779,408</u>	<u>695,099</u>
Ending Net Assets	<u><u><b>\$ 630,527</b></u></u>	<u><u><b>\$ 779,408</b></u></u>
 Transfers to General Fund from Special Revenue Funds	 <u><u><b>\$ 0</b></u></u>	 <u><u><b>\$ 11,500</b></u></u>

## **Comments on Budget Comparison**

- The Court's actual revenue received by the General Fund for the year ended June 30, 2007 was \$22,400 more than we had budgeted.
- The Court's total expenditures of the General Fund before other financing sources and uses for the year ended June 30, 2007 was \$3,074,191.
- General Fund budget expenditures compared to actual varied from line item to line item with the ending actual balance before other financing sources and uses being \$239,608 less than budget.

## **General Fund Revenue**

The majority of revenue was derived from the budget allocations from the funding units supported by the collection of fines, costs and fees. Some miscellaneous revenue is received from interest income, copy fees and marriage fees.

## **Budget Allocation**

45% of the Court's overall budget is devoted to the salary and wages, and 33% covers the employee benefits. Acquisition and maintenance of the Court's fixed assets including building maintenance, computer services, utilities, building rental, insurance and capital outlay, accounts for 14% of the budget. Trial services including court appointed attorneys, interpreters, visiting judges, contract labor, and jury and witness fees total 3% of the budget. Consumables, including office supplies, postage, printing and publishing and other administrative expense, make up 4% of the budget. The balance of 1% is committed to miscellaneous items such as uniform cleaning, training, dues and subscriptions and the like.

## **Budgetary Implications**

The budget is impacted by a number of factors that are outside the Court's control. The number and type of cases that are filed governs the workload and the revenues, but the Court has no power or authority, nor should it, to manipulate these figures to its advantage. The cost of medical benefits increased approximately 8.75%.

While caseload and revenue have slightly decreased in some areas and increased in others, the complexity of the operation of the Court has increased mostly because of various directives and continuous changes in the mandatory reporting requirements at the state and federal level, including compliance with a variety of state standards, fee disbursements, and the implementation of the Caseflow Management Guidelines. In addition, and as stated in the Court's previous Management Discussion and Analysis, there is the growing burden on the Courts to either maintain or decrease expenditures and staff, while at the same time, increase revenues, collections, compliance and efficient public service. As a result, the budgeted cost of providing these services to the public, complying with the mandated amendments and general day-to-day operations of the Court continues to rise to meet these ever growing demands and responsibilities.

### Capital Assets

At the end of June 30, 2007, the Court had invested \$11,883 in new office equipment and improvements to the leased building. This represents a decrease of \$12,056 from last year. (More detailed information about capital assets can be found in Note 4 to the financial statements). Total depreciation expense for the year was \$80,672.

24<sup>th</sup> District Court Capital Assets:

	<u>Cost</u>	<u>Accumulated And Depreciated</u>	<u>June 30, 2007 Net Book Value</u>	<u>June 30, 2006 Net Book Value</u>
Computer equipment	122,123	110,966	11,157	25,483
Office equipment	222,996	142,178	80,818	103,216
Leasehold Improvement	478,387	309,946	168,441	214,922
Vehicles	<u>51,334</u>	<u>51,334</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 874,840</u>	<u>\$ 614,424</u>	<u>\$ 260,416</u>	<u>\$ 343,621</u>

### Long Term Debt

The balance of \$109,943 represents compensated absences outstanding at June 30, 2007, which is an increase of \$3,720 from last year. (More detailed information about the Court's long-term liabilities is presented in Note 7 of the financial statements.)

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Capitalized Leases	\$ 19,727	\$ 21,799
Compensated Absences	<u>90,216</u>	<u>84,424</u>
Total	<u>\$109,943</u>	<u>\$106,223</u>

Questions regarding this report should be directed to John T. Courtright, Chief Judge (313) 928-0535 ext. 256 or by mail at 6515 Roosevelt Road, Allen Park, MI 48101.

**24th District Court  
Statement of Net Assets  
June 30, 2007**

<b>Assets</b>	<b>Governmental Activities</b>
<b>Current Assets:</b>	
Cash	\$ 465,216
Receivables	
Other Governmental Units	75,091
Due From Agency Funds	3,241
Prepaid Expenditures	2,102
<b>Total Current Assets</b>	<u>545,650</u>
<b>Noncurrent Assets</b>	
Capital Assets	874,840
Less Accumulated Depreciation	(614,424)
<b>Total Noncurrent Assets</b>	<u>260,416</u>
<b>Total Assets</b>	<u><u>\$ 806,066</u></u>
<b>Liabilities And Net Assets</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$ 9,806
Accrued Wages	53,906
Due to Agency Funds	1,884
Compensated Absences Due Within One Year	21,000
Capital Leases Payable Due Within One Year	8,265
<b>Total Current Liabilities</b>	<u>94,861</u>
<b>Noncurrent Liabilities</b>	
Compensated Absences Due Beyond One Year	69,216
Capital Leases Payable Due Beyond One Year	11,462
<b>Total Noncurrent Liabilities</b>	<u>80,678</u>
<b>Total Liabilities</b>	<u>175,539</u>
<b>Net Assets:</b>	
Invested in Capital Assets Net of Related Debt	240,689
Unrestricted	389,838
<b>Total Net Assets</b>	<u><u>\$ 630,527</u></u>

The notes to the financial statements are an integral part of this statement.

**24th District Court  
Statement of Activities  
Year Ended June 30, 2007**

<u>Functions/programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Governmental Activities Net (expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants &amp; Contributions</u>	
Governmental activities:				
Court Services	\$ 3,176,265	\$ 99,623	\$ -	\$ (3,076,642)
Interest on Long-Term Debt	<u>1,224</u>	<u>-</u>	<u>-</u>	<u>(1,224)</u>
Total Governmental Activities	<u>\$ 3,177,489</u>	<u>\$ 99,623</u>	<u>\$ -</u>	<u>(3,077,866)</u>
General Revenues:				
Intergovernmental				2,703,286
Probation				197,570
Investment Revenue				27,246
Miscellaneous				13,699
Special Item:				
Loss on Disposal of Assets				<u>(12,816)</u>
Total General Revenues and Special Items				2,928,985
Change in Net Assets				(148,881)
Net Assets, Beginning of Year				<u>779,408</u>
Net Assets, End of Year				<u>\$ 630,527</u>

The notes to the financial statements are an integral part of this statement.

**24th District Court  
Balance Sheet  
Governmental Funds  
June 30, 2007**

	General Fund	Work Prog. Special Rev Fund	Total Governmental Funds
<b>Assets:</b>			
Cash	\$ 390,800	\$ 74,416	\$ 465,216
Receivables:			
Due From Other Governments	75,091	-	75,091
Due From Other Funds	3,241	-	3,241
Prepaid Expenditures	-	2,102	2,102
<b>Total Assets</b>	<b>\$ 469,132</b>	<b>\$ 76,518</b>	<b>\$ 545,650</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 9,806	\$ -	\$ 9,806
Accrued Wages	53,906	-	53,906
Due To Other Funds	1,884	-	1,884
<b>Total Liabilities</b>	<b>65,596</b>	<b>-</b>	<b>65,596</b>

	General Fund	Work Prog. Special Rev Fund	Total Governmental Funds
<b>Fund Balances:</b>			
Reserve, Prepaid Expenditures	-	2,102	2,102
Unreserved, Undesignated	403,536	74,416	477,952
<b>Total Fund Balances</b>	<u>403,536</u>	<u>76,518</u>	<u>480,054</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 469,132</u>	<u>\$ 76,518</u>	<u>\$ 545,650</u>
<b>Total Governmental Fund Balances</b>		\$ 480,054	
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are financial resources and are not reported in the funds		874,840	
The cost of capital assets is		(614,424)	
Accumulated depreciation is			260,416
Long term liabilities are not due and payable in the current period and are not reported in the funds			
Compensated absences		(90,216)	
Capitalized lease obligation		(19,727)	(109,943)
<b>Net assets of governmental activities</b>		<u>\$ 630,527</u>	

The notes to the financial statements are an integral part of this statement.



**24th District Court**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2007**

	General Fund	Work Prog. Special Rev Fund	Total Governmental Funds
<b>Revenues:</b>			
Intergovernmental	\$ 2,703,286	\$ -	\$ 2,703,286
Probation	197,570	-	197,570
Interest Income	26,893	353	27,246
Program Fees	41,741	57,882	99,623
Miscellaneous	13,699	-	13,699
Total Revenues	<u>2,983,189</u>	<u>58,235</u>	<u>3,041,424</u>
<b>Expenditures:</b>			
Current:			
Wages and Benefits	2,249,692	27,789	2,277,481
Operating Expenses	587,010	7,300	594,310
Capital Outlay	11,883	-	11,883
Debt Payments:			
Principal	6,372	-	6,372
Interest	1,224	-	1,224
Total Expenditures	<u>2,856,181</u>	<u>35,089</u>	<u>2,891,270</u>

	General Fund	Work Prog. Special Rev Fund	Total Governmental Funds
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	127,008	23,146	150,154
<b>Other Expenditures:</b>			
Payment to DCU's	218,010	-	218,010
<b>Total Other Expenditures</b>	218,010	-	218,010
<b>Other Financing Sources (Uses):</b>			
Proceeds From New Debt	4,300	-	4,300
Proceeds From Sale of Fixed Assets	1,600	-	1,600
<b>Total Other Financing Sources (Uses):</b>	5,900	-	5,900
<b>Net Change in Fund Balances</b>	(85,102)	23,146	(61,956)
<b>Fund Balances</b>			
Beginning of Year	488,638	53,372	542,010
End of Year	<u>\$ 403,536</u>	<u>\$ 76,518</u>	<u>\$ 480,054</u>

The notes to the financial statements are an integral part of this statement.

**24th District Court  
Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
To the Statement of Activities  
For the Year Ended June 30, 2007**

<b>Net change in fund balances total governmental funds</b>	<b>\$ (61,956)</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures in the statement of activities. These costs are allocated over their estimated useful lives as depreciation. Losses and gains on disposals of assets are not used in governmental funds.

Depreciation expense	(80,672)
Capital outlay	11,883
Loss on disposal of assets	(12,816)

Proceeds from new debt and sale of fixed assets are revenue in governmental funds and not in the statement of activities.

Proceeds from new debt	(4,300)
Proceeds from sale of fixed assets	(1,600)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

6,372

Compensated absences are reported on the accrual method in the statement of activities, and recorded as an expenditure when the financial resources are used in the governmental funds:

Accrued compensated absences beginning of the year	84,424
Accrued compensated absences end of the year	(90,216)

**Change in net assets of governmental activities**

	(\$ 148,881)
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**24th District Court  
Fiduciary Funds  
Statement of Fiduciary Net Assets  
June 30, 2007**

	<b>Revenue Fund</b>	<b>Bond Fund</b>	<b>Payroll Fund</b>	<b>Total Agency Fund Activities</b>
<b>Assets:</b>				
Cash	\$ 385,919	\$ 84,910	\$ 2,367	\$ 473,196
Due from Other Funds	1,564	320		1,884
Accounts Receivable-Other	713			713
Total Assets	<u><u>\$ 388,196</u></u>	<u><u>\$ 85,230</u></u>	<u><u>\$ 2,367</u></u>	<u><u>\$ 475,793</u></u>
<b>Liabilities &amp; Fund Equity:</b>				
Liabilities:				
Appearance Bonds		\$ 80,496		\$ 80,496
Refund Overpayment		1,568		1,568
Restitution Payable		2,280		2,280
Other Payable		60		60
Due to Other Funds	874		2,367	3,241
Due to:				
State Treasurer	96,299			96,299
Allen Park	181,489	450		181,939
Melvindale	90,744	376		91,120
Wayne County	18,790			18,790
Total Liabilities	<u><u>\$ 388,196</u></u>	<u><u>\$ 85,230</u></u>	<u><u>\$ 2,367</u></u>	<u><u>\$ 475,793</u></u>

The notes to the financial statements are an integral part of this statement.

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the 24th District Court conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the 24th District Court:

**A. Reporting Entity**

The 24th District Court was established in the State of Michigan. The State of Michigan is divided into judicial districts of the district Court each of which is an administrative unit subject to the superintending control of the Supreme Court. As required by generally accepted accounting principles (GASB Statement #14 and GASB Statement #39), the financial statements of the reporting entity includes those of the 24th District Court (the primary government) and no others. The 24th District Court has no component units. Therefore, this report does not include condensed financial statements as required when component units are apparent.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements of the 24th District Court report information on all of the nonfiduciary activities of the 24th District Court. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrate the degree to which the direct expense of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grant and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter is excluded from the government-wide financial statements. Major individual government funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

timing of the related cash flows. Intergovernmental revenues are recognized as revenue in the year for which they are incurred.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Court considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**The 24th District Court reports the following major governmental funds:**

The *Operating Fund (General Fund)* is the Court's primary operating fund. It accounts for all financial resources of the court, except those required to be accounted for in another fund.

The *Work Program Fund* accounts for all revenues and expenditures related to convicts who are assigned to the work program.

**Additionally, the 24th District Court reports the following fund types:**

Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in the government-wide financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported in general revenue includes fees collected from the district court units, or intergovernmental units, and fees for miscellaneous services.

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

The Court's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The Court reports its investments in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. Under these standards, certain investments are valued at fair value as determined by quoted market prices, or by estimated fair values when quoted market prices are not available. The standards also provide that certain investments are valued at cost (or amortized cost) when they are of a short-term duration, the rate of return is fixed, and the courts intend to hold the investment until maturity.

State statutes authorize the Court to invest in bonds and other direct and certain indirect obligations of the U.S. Treasury; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, savings and loan association, or credit union, which is a member of the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or National Credit Union Administration, respectively; in commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services and which matures not more than 270 days after the date of purchase. The Court is also authorized to invest in U.S. government or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds composed of investments as outlined above.

2. Receivables and Payables

In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds). Any residual balances between the governmental activities are reported in the government-wide financial statements as "internal balances."

3. Prepaid Expenses

Prepaid expenses record payments to vendors that benefit future reporting periods and are also reported on the consumption basis. Prepaid expenses are reported in government-wide and fund financial statements.

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

4. Capital Assets

Capital assets, include property, plant, and equipment are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Court as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Computers	5 years
Furniture and Equipment	5 to 10 years
Leasehold Improvements	10 years
Vehicles	5 years

5. Compensated Absences (Vacation and Sick Leave)

Court employees are entitled to a certain number of vacation days based on their length of employment. Vacation time must be used in the current year and does not carry over to subsequent years. Court employees are entitled to 13 days of sick time per year. When employees separate from service with the Court, accumulated sick time is paid at 100% for the first 75 days of accumulated sick time and at 50% for any accumulated sick time over 75 days. In the government-wide financial statements, compensated absences are reported as liabilities in the applicable governmental activities statement of net assets. No expenditure is reported for those amounts. The Court's policy for new employees under the new contract, which went into effect during the current fiscal year, allows for 9 sick days per year (.75 days per month). Upon separation from the court, accumulated sick pay is paid at 50% for accumulated sick pay up to 50 days.

6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources.



24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

7. Net Assets and Fund Balance

Government-wide Financial Statements

When the Court incurs an expense for which it may use either restricted or unrestricted net assets, it uses restricted net assets first unless unrestricted net assets will have to be returned because they were not used. Net assets on the Statement of Net Assets include the following:

*Investment in Capital Assets, Net of Related Debt* – The component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

*Unrestricted* – The difference between the assets and liabilities that is not reported in Net Assets Invested in Capital Assets, Net of Related Debt.

Government Fund Financial Statements

In the fund financial statements, governmental funds report reservations of fund balance for the amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. The General Fund reserve for restricted purposes is comprised of an amount that is solely attributable to a prepaid expense.

**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the general fund and special revenue funds. All annual appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital projects funds, however a formal budget is not adopted.

The Court presents a budget to the two District Control Units, for their approval and ratification before the fiscal year begins on July 1.

As of October 1, 1996: (MCLA 600.8271) the governing body of each district funding unit shall annually appropriate, by line-item or lump-sum budget, funds for the operation of the district court. A court that operates under a line-item budget shall not exceed a line-item appropriation or transfer funds between line items without the prior approval of the governing body. A court that operates under a lump-sum budget shall not exceed that budget without prior approval of the governing body. The Court uses a lump-sum budget.

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting-under which purchase offers, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation-is utilized in the general fund. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

**NOTE 3. DEPOSITS AND INVESTMENTS**

Deposits:

	<u>Fair / Value</u>
Demand Deposits	<u>\$ 996,899</u>
Total Deposits	<u>\$ 996,899</u>
Reconciliation To Statement of Net Assets:	
Current:	
Cash and Cash Equivalents	<u>\$ 996,899</u>

Interest Rate Risk

In accordance with its investment policy, the court will minimize interest rate risk, which is the risk that the market value of the demand deposits or sweep account will fall due to changes in market interest rates, by structuring the sweep account so when cash is needed for operations, the sweep account will transfer cash immediately as needed. These funds are not sold in the open market. The sweep account consists of money market funds.

Concentration of Credit Risk

The court minimizes credit risk by investing only in money market funds that are available for operations at any time.

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

Custodial Credit Risk

The 24th District Court has \$996,899 on deposit with Comerica Bank. Of the amount on deposit, \$100,000 was covered by federal depository insurance. As of June 30, 2006, \$896,899 of the Court's bank balances were exposed to custodial credit risk because they were uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of a bank failure, the Court's deposits might not be recovered. All deposits were in the State of Michigan.

Foreign Currency Risk

The court is not authorized to invest in investments, which have this type of risk.

**NOTE 4. CAPITAL ASSETS**

Capital asset activity for the Court for the current year was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets				
Computer Equipment	\$ 175,612	\$ 2,464	\$ 55,953	\$ 122,123
Furniture & Equipment	242,125	6,419	25,548	222,996
Leasehold Improvement	284,858	-	28,005	256,853
Leasehold Improvement New Building	218,534	3,000	-	221,534
Vehicles	51,334	-	-	51,334
Subtotal	<u>972,463</u>	<u>11,883</u>	<u>109,506</u>	<u>874,840</u>
Less Accumulated Depreciation for				
Computer Equipment	150,129	13,008	52,171	110,966
Furniture & Equipment	138,909	22,613	19,344	142,178
Leasehold Improvement	194,938	23,173	23,575	194,536
Leasehold Improvement New Building	93,532	21,878	-	115,410
Vehicles	51,334	-	-	51,334
Subtotal	<u>628,842</u>	<u>80,672</u>	<u>95,090</u>	<u>614,424</u>
Capital Assets--Net of Depreciation	<u>\$ 343,621</u>	<u>(\$68,789)</u>	<u>\$ 14,416</u>	<u>\$ 260,416</u>

Depreciation for fiscal year ended June 30, 2007 amounted to \$80,672. The entire depreciation expense was allocated to the operations of the Court.

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

**NOTE 5. SUMMARY OF INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The amount of interfund receivables and payables at June 30, 2007 are as follows:

**Governmental Funds and Agency Funds**

	<b><u>General Fund</u></b>	<b><u>Revenue Fund</u></b>	<b><u>Payroll Fund</u></b>	<b><u>Total Interfund Receivable</u></b>
General	\$ -	\$ 874	\$ 2,367	\$ 3,241
Bond Fund	296	24	-	320
Payroll Fund	2,367	-	-	2,367
Revenue	<u>1,564</u>	<u>-</u>	<u>-</u>	<u>1,564</u>
<b>Total Interfund Payable</b>	<b><u>\$ 4,227</u></b>	<b><u>\$ 898</u></b>	<b><u>\$ 2,367</u></b>	<b><u>\$ 7,492</u></b>

**NOTE 6. LEASES**

A. Operating Lease.

The 24th District Court subleases building and office facilities from the City of Allen Park who in turn has a lease with the Allen Park Building Authority for a term of 22 years extending from November 16, 1993. This is the term of the underlying bonds sold to construct the Court facility.

The lease agreement cannot exceed 50 years. Total cost of the sublease was \$190,000 for the year ended June 30, 2007. The future minimum lease payments for this sublease is as follows:

<b><u>Year Ending June 30</u></b>	<b><u>Amount</u></b>
2008	\$ 190,000
2009	190,000
2010	190,000
2011	190,000
2012	190,000
2013 – 2015	<u>570,000</u>
Total	<b><u>\$ 1,520,000</u></b>

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

B. Capital Lease

The 24<sup>th</sup> District Court's outstanding lease agreement was from the acquisition of a copy machine at the cost of \$9,366. The lease qualifies as a capital lease, for which the lessor, Kansas State Bank, has a security interest in the acquired equipment.

Year Ending <u>June 30</u>	Government Activities <u>Capital Lease*</u>	
	<u>Principal</u>	<u>Interest</u>
2008	2,166	246
2009	<u>1,170</u>	<u>36</u>
	<u>\$ 3,336</u>	<u>\$ 282</u>
Interest Rate	10.43%	
Cost of Assets	\$ 9,366	
Accumulated Depreciation	\$ 3,356	

\*For the Capital Lease, the total of principal and interest equals the required minimum payments for periods shown, and total principal equals the net present value of the lease.

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

The 24<sup>th</sup> District Court also has a lease agreement from the acquisition of a postage machine. This lease also qualifies as a capital lease, for which the leaser, Pitney Bower Credit Corporation, has a security interest in the acquired equipment.

Capital Lease

Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>
2008	4,652	533
2009	4,895	289
2010	<u>2,544</u>	<u>48</u>
	<u>\$ 12,091</u>	<u>\$ 870</u>
Interest Rate	5.137%	
Cost of Assets	\$ 22,731	
Accumulated Depreciation	\$ 11,744	

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

The 24<sup>th</sup> District Court's entered into an additional lease agreement with Pitney Bowes to upgrade their existing postage machine. This lease also qualifies as a capital lease, for which the lessor, Pitney Bowes Global Financial Services, has a security interest in the acquired equipment.

Capital Lease

Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>
2008	1,447	329
2009	1,577	199
2010	<u>1,276</u>	<u>56</u>
	<u>\$ 4,300</u>	<u>\$ 584</u>

Interest Rate	8.74%
Cost of Assets	\$ 4,300
Accumulated Depreciation	\$ 143

**NOTE 7. LONG-TERM DEBT**

The following is a summary of long-term obligations of the Court for the year ended June 30, 2007:

	<u>Balance July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2007</u>	<u>Amounts Due Within One Year</u>
Capitalized Lease-Copier	\$ 5,288	\$ -	\$ 1,952	\$ 3,336	\$ 2,166
Capitalized Lease-Post. Mach.	16,511	-	4,420	12,091	4,652
Capitalized Lease-Upgrade	-	4,300	-	4,300	1,447
Other Liabilities:					
Compensated Absences	<u>84,424</u>	<u>12,373</u>	<u>6,581</u>	<u>90,216</u>	<u>21,000</u>
Governmental activities					
Long-term Liabilities	<u>\$ 106,223</u>	<u>\$ 16,673</u>	<u>\$ 12,953</u>	<u>\$ 109,943</u>	<u>\$ 29,265</u>

24TH DISTRICT COURT  
Notes to Financial Statements  
For the Year Ended June 30, 2007

**NOTE 8. FUNDING OF DISTRICT CONTROL UNITS**

The Court on an annual basis and prior to the beginning of the fiscal year presents a budget to the District Control Units. Upon their ratification they will pay to the Court on a monthly basis 1/12th of the cost of the annual budget as follows:

2/3 submitted by City of Allen Park  
1/3 submitted by City of Melvindale

All revenues received by the Court through fines, fees and judgments are returned to them monthly as follows:

2/3 City of Allen Park  
1/3 City of Melvindale

**NOTE 9. EMPLOYEE RETIREMENT SYSTEM-DEFINED BENEFIT PLAN**

Plan Description - The Court contributes to the City of Allen Park Employees Retirement System, a multi-employer defined benefit pension plan administered by their board of trustees. The plan provides retirement, disability and death benefits to plan members and their beneficiaries.

Funding Policy - The contribution requirements of plan members and the Court are established and may be amended by the board of trustees. Plan members are required to contribute 6% of their annual covered salary. The Court is required to contribute at an actuarially determined rate; the current rate is 27.66% of covered payroll, up from 25.77% for the fiscal year ended June 30, 2007. The Court contributions for the years ended June 30, 2007, 2006 and 2005 were \$271,681, \$207,579, and \$200,701.

The Court is not responsible for the payment of retirement benefits which is the responsibility of the City of Allen Park.

**NOTE 10. RISK MANAGEMENT**

The Court is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

The Court continues to carry commercial insurance for other risks of loss, including employee health, accident and worker's compensation insurance.

In reference to unemployment insurance, the Court reimburses the Michigan Employment Security Agency (MESA) for the actual amount of unemployment benefits disbursed by the MESA on behalf of the Court.



## REQUIRED SUPPLEMENTARY INFORMATION

**24th District Court  
Required Supplemental Information  
Budgetary Comparison Schedule  
Budget and Actual-General Fund  
For the Fiscal Year Ended June 30, 2007**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance Fav. (Unfavorable)</u>
<b>Revenues</b>			
Court - Participating City:			
Allen Park	\$ 1,802,193	\$ 1,802,190	\$ (3)
Melvindale	901,096	901,096	-
Court - Other Revenue:			
Miscellaneous - Other	52,500	55,440	2,940
Interest Income	10,000	26,893	16,893
Probation	215,000	197,570	(17,430)
Total Revenues	<u>2,980,789</u>	<u>2,983,189</u>	<u>2,400</u>
 <b>Court Expenditures</b>			
Salaries	1,377,000	1,308,321	68,679
Overtime	10,000	2,314	7,686
Longevity	7,800	6,995	805
Social Security	107,500	94,438	13,062
Hospitalization	547,750	496,633	51,117
Insurances:			-
Life	8,600	6,501	2,099
Optical	4,450	3,742	708
Dental	47,000	42,127	4,873
Retirement	271,681	271,681	-
Worker's Compensation Insurance	13,000	8,305	4,695
Unemployment compensation	9,412	8,635	777
Office Supplies	35,000	36,428	(1,428)
Postage	24,000	23,633	367
Uniform	2,500	1,924	576
Auditor	17,000	13,329	3,671
Computer Services	43,000	38,409	4,591
Administrative	2,500	2,732	(232)
Contract Labor	34,000	14,648	19,352
Legal Fees	58,000	62,162	(4,162)
Witness/Jury Fees	11,000	5,234	5,766
Service Charges	17,000	16,907	93
Travel/Training	5,000	3,097	1,903
Printing & Publishing	17,000	13,869	3,131
Insurance, Liability	43,000	40,310	2,690
Equipment Maintenance	41,000	20,466	20,534
Building Maintenance	50,000	38,710	11,290
Building Rental	190,000	190,000	-
Dues & Subscriptions	16,000	14,544	1,456
Building Utilities	55,000	44,027	10,973
Compensated Absences	10,000	6,581	3,419
Capital Outlay:			
Leasehold Improvements	4,000	3,000	1,000
Office Equipment	4,000	6,419	(2,419)
Computer Equipment	5,000	2,464	2,536

**Required Supplemental Information  
Budgetary Comparison Schedule  
Budget and Actual-General Fund  
For the Fiscal Year Ended June 30, 2007**

	<b>Original &amp; Final Budget</b>	<b>Actual</b>	<b>Variance Fav. (Unfavorable)</b>
<b>Court Expenditures (concluded):</b>			
Debt Principal	6,372	6,372	-
Debt Interest	1,224	1,224	-
Total Expenditures	<u>3,095,789</u>	<u>2,856,181</u>	<u>239,608</u>
<b>Excess of Revenue Over (Under) Expenditures before Other Expenditures</b>	<u>(115,000)</u>	<u>127,008</u>	<u>242,008</u>
Other Expenditures:			
Payment to DCU's	<u>-</u>	<u>218,010</u>	<u>(218,010)</u>
Total Other Expenditures	<u>-</u>	<u>218,010</u>	<u>(218,010)</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds From New Debt	-	4,300	4,300
Proceeds From Sale of Capital Assets	-	1,600	1,600
Transfer from Work Program	15,000	-	(15,000)
Total Other Financing Sources (Uses)	<u>15,000</u>	<u>5,900</u>	<u>(9,100)</u>
<b>Excess of Revenue and Financing Other Sources Over (Under) Expenditures, Other Expenditures and Other Financing Uses</b>	<u>(100,000)</u>	<u>(85,102)</u>	<u>14,898</u>
Fund Balance, Beginning of Year	488,638	488,638	-
Fund Balance, End of Year	<u>\$ 388,638</u>	<u>\$ 403,536</u>	<u>\$ 14,898</u>

**24th District Court**  
**Required Supplemental Information**  
**Budgetary Comparison Schedule**  
**Budget and Actual - Work Program Fund**  
**For the Year Ended June 30, 2007**

	<b>Work Program Fund</b>		
	<b>Original &amp; Final Budget</b>	<b>Actual</b>	<b>Favorable (Unfavorable) Variance</b>
<b>Revenues</b>			
Program Fees	\$ 57,500	\$ 57,882	\$ 382
Interest Income	200	353	153
Total Revenues	<u>57,700</u>	<u>58,235</u>	<u>535</u>
<b>Expenditures</b>			
Wages & Social Security	39,850	27,789	12,061
Operating Supplies	8,800	2,096	6,704
Equipment Maintenance	1,800	1,976	(176)
Miscellaneous	500	100	400
Auditor	700	700	-
Training	500	-	500
Volunteer Liability Insurance	2,050	2,011	39
Uniforms	500	417	83
Capital Outlay	13,000	-	13,000
Total Expenditures	<u>67,700</u>	<u>35,089</u>	<u>32,611</u>
<b>Excess of Revenues over Expenditures</b>	<u>(10,000)</u>	<u>23,146</u>	<u>33,146</u>
<b>Other Financing Sources (Uses):</b>			
Transfer to General Fund	(15,000)	-	15,000
Total Other Financing Sources (Uses)	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>
<b>Excess of Revenues Over Expenditures and Other Financing Sources (Uses)</b>	<u>(25,000)</u>	<u>23,146</u>	<u>48,146</u>
Fund Balance, Beginning of Year	53,372	53,372	-
Fund Balance, End of Year	<u>\$ 28,372</u>	<u>\$ 76,518</u>	<u>\$ 48,146</u>